

REMARKS/ARGUMENTS

Claims 61-65, 68-70 and 74-74 are pending in this application. Claims 63-65, 68 and 74-75 are allowed.

Applicants acknowledge the withdrawal of the rejection under 35 U.S.C. §112, second paragraph. The remaining rejection under 35 U.S.C. §102 over Fukushima *et al.* is addressed below.

I. Priority

The Examiner has granted Claims 63-65, 68 and 74-75 a priority date of March 8, 1999 based upon the disclosure of the proliferation of rat utricular supporting cells assay in PCT/US99/05028. The Examiner has granted Claims 61-62 and 69-70 a priority date of February 18, 2000 based upon the disclosure of the chondrocyte re-differentiation assay in PCT/US99/04341.

Applicants respectfully point out that Claims 69 and 70 depend upon both Claim 61 and Claim 74; thus insofar as Claims 69 and 70 depend upon Claim 74, they are entitled to the priority date of March 8, 1999.

II. Claim Rejections Under 35 U.S.C. §102

Claims 61-62 and 69-70 remain rejected under 35 U.S.C. §102(a) as allegedly being anticipated by Fukushima *et al.* (WO 00/58668, published November 18, 1999). Fukushima *et al.* teach an isolated polypeptide, SEQ ID NO:3, that is identical to SEQ ID NO:523.

Applicants respectfully submit that, as evidenced by U.S. Provisional Application No. 60/079,294, filed March 25, 1998 (Exhibit A submitted with the Response filed August 3, 2006), Applicants had cloned and sequenced SEQ ID NO:522, and determined the homology of the encoded polypeptide (SEQ ID NO:523) to rat neurotramin, before the prior art date of November 18, 1999.

As discussed in their Response filed August 3, 2006, based upon the holdings in *In re Stempel* and *In re Moore*, Applicants need to disclose only what is disclosed in the cited reference by Fukushima *et al.* in order to support the priority claim.

As the Examiner noted, Fukushima *et al.* discloses a nucleic acid encoding a polypeptide (SEQ ID NO:3) that is 100% identical to SEQ ID NO:523. Fukushima *et al.* discloses that SEQ

ID NO:3 shows significant homology to rat neurotrimin. Although Fukushima *et al.* includes general statements regarding possible uses of the sequence, no specific examples or experimental data are provided regarding the use of SEQ ID NO:3.

Applicants respectfully submit that since Fukushima *et al.* only disclose a polypeptide sequence, its encoding nucleic acid sequence, and a sequence homology, without any disclosure to support utility, Applicants simply need to show possession of the polypeptide sequence and its encoding polynucleotide sequence as well as a sequence homology, as disclosed in Fukushima *et al.*, in order to remove the reference as prior art under 35 U.S.C. §102.

Applicants respectfully submit that U.S. Provisional Application Serial No. 60/079,294 filed on March 25, 1998, provides the nucleic acid and amino acid sequences of the PRO337 polypeptide. U.S. Provisional Application Serial No. 60/079,294 filed on March 25, 1998 discloses sequences designated as SEQ ID NO:1 and SEQ ID NO:2, (see Figures 1 and 2) which are identical to SEQ ID NO:522 and SEQ ID NO:523, respectively, of the above-identified application. U.S. Provisional Application Serial No. 60/079,294 further discloses that the full length PRO337 polypeptide (SEQ ID NO:523) has significant homology to rat neurotrimin (see Example 2).

Accordingly, Applicants respectfully submit that the disclosures are commensurate in scope and that U.S. Provisional Application Serial No. 60/079,294 discloses all that the cited prior art discloses.

The Examiner asserts that the above argument is not found persuasive because “[u]nlike in *In re Stempel* and *In re Moore*, the rejected claims rely on the chondrocyte re-differentiation assay...for utility of the claimed polypeptides.” (Page 4 of the instant Office Action). The Examiner concludes that “[s]ince prior applications 09/380,138, PCT/US99/05028 and 60/079,294 do not disclose the chondrocyte re-differentiation assay upon which applicant relies for utility of the instantly claimed polypeptides, the filing date for the purpose of art rejections for claims 61-62 and 69-70 (as dependent upon claim 61) is deemed to be that of PCT/US00/04341 (WO 00/53756), i.e., 18 February 2000.” (Pages 4-5 of the instant Office Action).

Applicants respectfully submit that the Examiner appears to have confused two different issues: whether the priority date of the instant application is earlier than that of the reference, versus whether Applicants are able to predate the Fukushima *et al.* reference, and thus remove it

as prior art, by demonstrating that as much of the claimed as is taught in the Fukushima *et al.* reference had been reduced to practice by Applicants prior to the date of the Fukushima *et al.* reference.

While the Examiner focuses on the former issue, it is the latter which is relevant in this instance, as Applicants are asserting that they can predate the Fukushima *et al.* reference. It is well established in patent law that even if a reference has an earlier priority date, Applicants may remove the reference as prior art by establishing that they had reduced the invention to practice prior to the reference date. It is further well established, as demonstrated by the previously cited cases of *In re Stempel* and *In re Moore*, that **“all the applicant can be required to show is priority with respect to so much of the claimed invention as the reference happens to show.** When he has done that he has disposed of the reference.” *In re Stempel*, 241 F.2d 755, 759 (1957) (emphasis added). Furthermore, *In re Moore* confirmed that Applicants are not required to demonstrate a utility for their claimed compound if the cited reference has also not disclosed such a utility. The Court stated that:

An applicant need not be required to show any more acts with regard to the subject matter claimed that can be carried out by one of ordinary skill in the pertinent art following the description contained in the reference ... the determination of a practical utility when one is not obvious need not have been accomplished prior to the date of a reference unless the reference also teaches how to use the compound it describes.

In re Moore, 170 USPQ at 267 (emphasis added).

As Applicants have discussed above, while Fukushima *et al.* discloses a nucleic acid encoding a polypeptide (SEQ ID NO:3) that is 100% identical to SEQ ID NO:523, and discloses that SEQ ID NO:3 shows significant homology to rat neurotrimin, no specific examples or experimental data are provided regarding the use of SEQ ID NO:3. The Examiner has not disputed that Fukushima *et al.* do not disclose any utility for their disclosed sequence. Accordingly, since Fukushima *et al.* only disclose a polypeptide sequence, its encoding nucleic acid sequence, and a sequence homology, without any disclosure to support utility, Applicants simply need to show possession of the polypeptide sequence and its encoding polynucleotide sequence as well as a sequence homology, as disclosed in Fukushima *et al.*, in order to remove the reference as prior art under 35 U.S.C. §102.

As discussed above, U.S. Provisional Application Serial No. 60/079,294, filed on March 25, 1998, discloses all that the cited prior art discloses, including the nucleic acid and amino acid sequences of the PRO337 polypeptide, as well as the disclosure that the full length PRO337 polypeptide has significant homology to rat neurotrimin.

Consequently, based on the holdings of *In re Stempel* and *In re Moore*, Fukushima *et al.* is not prior art under §102 since its effective priority date is after the invention by the Applicants for patent, as demonstrated by the filing U.S. Provisional Application Serial No. 60/079,294 on March 25, 1998.

Accordingly, withdrawal of the rejection of Claims 61-62 and 69-70 under 35 U.S.C. §102(a) as anticipated by Fukushima *et al.* is respectfully requested.

CONCLUSION

In conclusion, the present application is believed to be in *prima facie* condition for allowance, and an early action to that effect is respectfully solicited. Should there be any further issues outstanding, the Examiner is invited to contact the undersigned agent at the telephone number shown below.

Please charge any additional fees, including fees for additional extension of time, or credit overpayment to Deposit Account No. 08-1641 (referencing Attorney's Docket No. 39780-2630 P1C12).

Respectfully submitted,

Date: December 29, 2006

By: B. A.
Barrie D. Greene (Reg. No. 46,740)

HELLER EHRLMAN LLP
275 Middlefield Road
Menlo Park, California 94025
Telephone: (650) 324-7000
Facsimile: (650) 324-0638

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